# GOVERNMENT OF INDIA
# CHEMICALS AND FERTILIZERS
# LOK SABHA

STARRED QUESTION NO:98
ANSWERED ON:27.02.2001
POLICY ON FERTILIZER PRICING
P.D. ELANGOVAN

**Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:**

(a) the details of the existing fertiliser rates being followed by various States;

(b) the details of total fertiliser production and the export and import details of fertilizers during the last five years;

(c) the measures taken by the Government to reduce the difference in fertiliser prices from State to State;

(d) whether the Government have constituted a committee to look into the pricing of fertilisers in the country; and

(e) if so, the composition and terms of reference thereof?

## Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS(SHRI S. B. MOOKHERJEE)

(a) to (e) :A statement is laid on the table of the House.

Statement referred to in reply to parts (a) to (e) of Lok Sabha Starred Question No. 98 to be answered on 27.2.2001.

(a) : Central Government fixes the uniform Maximum Retail Price (MRP) for urea, acontrolled fertilizer and indicates MRPs in respect of decontrolled phosphatic and potassic fertilizers except that of Single Super Phosphate (SSP). In case of SSP, MRP isfixed by State Governments. MRP fixed/indicated by the Central Government does notinclude the sales tax and other local taxes levied by some of the State Governments. The existing MRPs of major fertilizers exclusive of local taxes are as follows:

| S.No. | Name of the Fertilizers | MRPs (Rs. per tonne) |
|---|---|---|
| 1 | Urea | 4600 |
| 2 | DAP | 8900 |
| 3 | MOP | 4255 |
| 4 | Complex fertilizers | Ranging from 6620-8520 |

(b) : Details of total fertilizer production during last five years are given in the table below:

| Name of the fertilizer | Production during | | | | (in Lakhs Metric Tonne) |
|---|---|---|---|---|---|
| | 1994-95 | 1995-96 | 1997-98 | 1998-99 | 1999-2000 |
| Urea | 142.82 | 158.19 | 185.95 | 192.91 | 198.29 |
| Ammonium sulphate | 5.82 | 6.34 | 5.43 | 5.50 | 6.02 |
| Calcium Ammonium Nitrate | 5.71 | 4.91 | 4.41 | 4.61 | 3.18 |
| Ammonium Chloride | 1.37 | 1.37 | 1.10 | 0.63 | 0.87 |
| DAP | 28.23 | 26.46 | 36.91 | 38.67 | 38.63 |
| SSP | 26.36 | 29.84 | 31.39 | 34.06 | 32.05 |
| Complex fertilizers | 35.73 | 40.52 | 35.17 | 37.74 | 50.01 |

Details of import of fertilizers during last five years are given in the table below:

| S.No. | Name of the Fertilizer | Quantum of import during (in Lakh Metric Tonne) 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 |
|---|---|---|---|---|---|---|
| 1 | Urea | 37.82 | 23.28 | 23.89 | 5.56 | 5.33 |
| 2 | DAP | 15.14 | 5.34 | 14.60 | 21.05 | 32.68 |
| 3 | MOP | 21.92 | 10.21 | 19.00 | 25.70 | 28.98 |

Under the Export-Import Policy 1997-2002, export of all chemical fertilizers arerestricted for which permission of the Government is required. The details of the quantities of fertilizers approved for exports during the last five years are given in the table below:

| S.No. | Name of the Fertilizer | Quantum of export during (in Metric tonnes) 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 |
|---|---|---|---|---|---|---|
| 1 | Urea | 12000 | 10000 | 14687 | | 31227.4+ |
| 2 | NPK Complex | 400 | 600 | | | 40 |

+ upto December 2000

Besides, No Objection Certificate was given for export of SSP as per details given below:

| S.No. | Period (in Metric Tons) | Quantum Of SSP for which NOC for export was given |
|---|---|---|
| 1. | 1995-96 | 466075 |
| 2. | 1996-97 | 237900 |
| 3. | 1997-98 | 234000 |
| 4. | 1998-99 | 217000 |
| 5. | 1999-2000 | 10500 |

(c) : MRP for urea and indicative MRPs for decontrolled potassic and phosphaticfertilizers except SSP fixed by the Government are uniform throughout the country.

(d) & (e) : The Government has not constituted any Committee to look into the fixationof selling prices of fertilizers. However, the Government periodically revises the selling prices of fertilizers keeping in view the fiscal sustainability and balanced nutrient application.